



State of California

# Employment Training Panel

Arnold Schwarzenegger, Governor

December 1, 2008

Gary Burt, Director, HR Services  
Williams Furnace Company  
250 W. Laurel Street  
Colton, CA 92324

Dear Mr. Burt:

RE: **FINAL MONITORING VISIT REPORT** for Williams Furnace Company – **ET07-0260**

<b>Date of the Visit:</b>	10/23/08
<b>Beginning/Ending Time of Visit:</b>	10:00 a.m. – 11:30 a.m.
<b>Date of Last Visit:</b>	4/10/08
<b>Visit Location:</b>	Colton
<b>Persons in attendance:</b>	Gary Burt, Director HR Services; Michael Escalera, Safety & Training Supervisor, from Williams Furnace; Gordon Kirkpatrick, International Optimum Solutions (Project Administration Subcontractor); and Krista Campion, Contract Analyst, Employment Training Panel
<b>Action Required:</b>	No

## **CONTRACT INFORMATION**

<b>Term of Agreement:</b>	2/06/07 – 2/05/09	<b>Agreement Amount:</b>	\$562,212
<b>Training Start Date:</b>	2/07/07	<b>No. to Retain:</b>	322
<b>Date Training Completed:</b>	6/13/08	<b>Range of Hours:</b>	24 – 200
<b>Type of Trainee:</b>	Retrainee	<b>Weighted Ave. Hours:</b>	97

## ***ACTION ITEMS REMAINING FROM THE PRIOR VISIT:***

- **None**

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## **FINAL REPORT SUMMARY**

### **• HISTORY OF AGREEMENT CHANGES**

The Agreement was executed on 2/21/07. Mr. Burt confirmed that training commenced on this project on 2/07/07 and the last day of ETP training was 6/13/08.

ETP processed one Revision Modification and one Amendment during the term of the Agreement. Modification No. 1 revised the range of training hours to a maximum of 200; and Amendment No. 2 increased the weighted average training hours from 71 to 97, which increased the Agreement amount to \$562,212.

### **• INTERVIEW WITH GARY BURT, HUMAN RESOURCES DIRECTOR AND MICHAEL ESCALERA, SAFETY & TRAINING SUPERVISOR**

Williams Furnace manufactures gas-fired wall furnaces and custom fan coil systems that use hydronics (the use of hot and cold water to heat or cool). This project was designed to enhance the competencies of its frontline staff in high performance workplace skills. You and your staff reported that this ETP training project was very beneficial to the company.

First, you stated that all of the training upgraded the skills of frontline production workers that improved productivities and efficiencies in the plant. You also stated that, as a result of the Continuous Improvement and Business Skills training, the company was able to increase its sales revenues from 7 million in 2006 to 24 million in 2008. You stated that the Computer Skills training in ERP was also very beneficial by providing critical skills to workers in the company's new system.

You reported that the ETP on-line forms and class/lab tracking systems were a "learning experience", as you progressed through the training. You attribute the success of this ETP project to a management team that fully supports training and the dedication of your staff that spent the necessary time to ensure accuracy of ETP training and documentation requirements.

## **PROJECT STATUS PROVIDED BY THE CONTRACTOR**

<b>Trainees Enrolled:</b>	400	<b>Completed Retention:</b>	263
<b>Dropped Following Enrollment:</b>	137	<b>In Retention Period:</b>	0
<b>Completed Minimum Hours for reimbursement:</b>	263	<b>No. of Active Trainees:</b>	0
<b>Completed Training:</b>	263		

### **EARNINGS PAID TO DATE / NUMBER RETAINED**

The final closeout invoice has been submitted on this project and processed by ETP. To date, Williams Furnace has been reimbursed a total of \$546,957, which is considered *earned*, based on information provided to ETP by your staff. Williams Furnace has shown that 263 retrainees (82 percent of planned trainees) have completed from 24 to 200 hours of ETP training for a grand total of 30,450.5 hours of training. Each of the aforementioned 236 retrainees has also completed a 90-day retention period, based on information submitted to ETP by your staff. This equates to an earned reimbursement of \$546,957, which is approximately 97 percent of the Agreement amount and 100 percent of the current encumbered amount.

### **ATTENDANCE ROSTERS**

The Analyst randomly chose four retrainees' attendance records to review who are enrolled in this project. The review sample consisted of class/lab attendance documents completed during the period 1/24/08 – 6/13/08 in Continuous Improvement and Manufacturing Skills. According to the ETP class/lab tracking system, these retrainees have completed from 117 to 200 hours of class/lab training.

The Analyst compared the information in the ETP class/lab tracking system with the class/lab attendance rosters to ensure that all ETP required information was present as specified in Title 22, California Code of Regulations (CCR), Section 4442. The Analyst found that the records reviewed were completed in accordance with ETP requirements under CCR 4442 and the hours tracked in the class/lab tracking system corresponded with the information on the training rosters.

### **AUDIT**

Williams Furnace Company will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

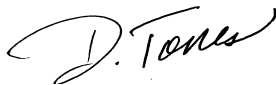
- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

**RECORD RETENTION**

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding the information in this letter, please contact Ms. Campion at 619-686-1917, or at [kcampion@etp.ca.gov](mailto:kcampion@etp.ca.gov), within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager  
San Diego Regional Office



Krista Campion, Contract Analyst  
San Diego Regional Office

cc: Michael Escalera, Williams Furnace  
Gordon Kirkpatrick, IOS  
Brian McMahon, Executive Director  
David Guzman, Chief, Program Operations Division  
Kulbir Mayall, Manager, Fiscal and Certification  
Master File  
Project File